

HARTFORD REDEVELOPMENT AGENCY

REGULAR MEETING

JULY 9, 2009

**PLAZA LEVEL CONFERENCE ROOM
260 CONSTITUTION PLAZA
5:00 P.M.**

AGENDA

COMMISSIONER CASARES: Hello, everybody. We're going to open the meeting for purposes of discussion. There is no quorum at this time. We're going to turn it over to Mark.

V. Executive Director's Report

MR. MCGOVERN: Two letters in your packet: One is a follow-up to the discussion at last month's meeting related to the American Airlines building. The letter to David Nyberg was sent out from David Panagore expressing the concern from the meeting on June 11. And so we put on the record to him that it was discussed at this meeting that we're not satisfied with the pace of the renovations. If he's not able to meet his deadline we reserve our right to take any action the contract provides, even dramatic action such as retaking the building.

David has been working with Mr. Nyberg. Right now they're negotiating how to proceed. They're starting to do the rooftop improvement, staged things for the facade work. We haven't seen sufficient progress right now. In a week or so we'll know whether he will ask for an extension. That's the follow-up from that meeting. There's no action item related to it.

The other letter was sent to Plaza Mayor, LLC, to both sides of the partnership; A & Co. and Solaris Group. Based on the lack of progress, challenges in the financial market, and everything that is involved in that project, and how it's been stalled for sometime now we sent a letter that says we need to see positive progress by October 1, otherwise we would consider a resolution for this agency to take up that would terminate their status as redeveloper. I spoke with Carlos Lopez this week to confirm he received the letter, and he had. He is not optimistic that they would be ready to proceed. He doesn't feel as if he and the partnership of Plaza Mayor will be able to proceed with the project. More to come on that, probably before October 1. But it's on the record now if not ready by then we need to move on.

And that would conclude the executive director's report with one exception. In August we often take the August meeting off. As of right now, Glenn, we don't have anything in the pipeline that would need to be on the August agenda. We may, but I don't think we will. We could consider canceling that meeting. What we could do is wait till around August 1, to make a decision.

I. Roll Call

COMMISSIONER CASARES: Roll call. Commissioner Arena?

COMMISSIONER BONAFONTE: Present.

COMMISSIONER CASARES: Commissioner Casares is here. Commissioner Sierra?

COMMISSIONER SIERRA: Here.

II. Election of Officers

COMMISSIONER CASARES: Item II, Election of Officers. I'll turn it over to Ben Bare.

MR. BARE: Annual election of officers: I'll take nominations.

COMMISSIONER ARENA: Nominate Edward Casares as chairman of the Redevelopment Agency.

COMMISSIONER BONAFONTE: Second.

MR. BARE: For vice?

COMMISSIONER CASARES: Nominate Raphael Lopez-Hernandez for vice chairman.

COMMISSIONER BONAFONTE: Second.

COMMISSIONER SIERRA: Nominate Sean Arena

COMMISSIONER ARENA: I don't accept.

COMMISSIONER CASARES: Motion to close.

MR. BARE: The slate is Casares and Hernandez-Lopez. All in favor? Any opposed? Reign of chair continues.

Commissioner Casares and Commissioner Lopez-Hernandez were voted to continue as chairman and vice chairman respectively of the Hartford Redevelopment Agency by a vote of 4-0.

COMMISSIONER CASARES: Thank you. I'll have my comments later.

III. Approval of the Minutes of the June 11, 2009 Regular Meeting.

COMMISSIONER CASARES: Next on the agenda, Approval of the Minutes of the June 11, 2009 Regular Meeting. You have the minutes in your packet, and had a chance to review them. Any changes, comments, corrections?

COMMISSIONER BONAFONTE: Move to accept.

COMMISSIONER ARENA: Second.

COMMISSIONER CASARES: All in favor?

The motion to approve the minutes of the June 11, 2009 regular meeting passed 4-0.

IV. Projects in Execution

A. Park-Squire-Wolcott Street Project

1. Consideration of a Resolution Granting Initial Approval of a Disposition Agreement with Broad-Park Development Corporation for 17-19 Squire Street.

COMMISSIONER CASARES: Number IV, Projects in Execution, Park-Squire-Wolcott Street Project.

MR. MCGOVERN: Thank you. On the agenda is 17-19 Squire Street. In November we nominated Broad-Park Development Corporation as tentative developer for 17-19 Squire Street. An extension was granted in March. That extension would expire at this meeting. They're proposing a 12-unit residential development that would include construction of a four-story addition as part of that project as well. 20 Wolcott Street, that is city property, would be used as parking, open space, and support for the development. You see in the write-up all the approvals are in place with regard to neighborhood input, planning and zoning commission, and ZBA. The one issue to be discussed tonight relates to the funding requirement.

So this is a recommendation to grant initial disposition approval contingent on their securing HUD financing by May 1, 2010. This is the third building Broad-Park has tried to develop for this project. Their funding lapsed, so they have to reapply for their funding with HUD. HUD indicates they intend to fund the project. However, they do not recognize the development agency tentative developer status as sufficient site control. They see council approval as being sufficient site control for their funding applications. This is a project that would receive \$1.9 million in HUD financing. They are driving this financing. Broad-Park is a nonprofit developer. This is a great project for them, but also for us because it puts a blighted building back into use. We've struggled with maintaining this building. If Broad-Park doesn't proceed it might be only a matter of time before it comes down, similar to 140 Homestead Avenue. With that I recommend we approve, contingent on their receiving commitment letter before we move to final approval, and to have the funding in hand before we actually convey the property. In our process it would

go to city council to act on the disposition and then it would come back to us for final approval.

COMMISSIONER ARENA: We're disposing of this property for \$8,000. If they don't do the project does it come back to redevelopment?

MR. MCGOVERN: It would come back to redevelopment if they don't build what they are obligated to build. If they don't build what they're obligated to build within a certain time period we would have the right to take that property back.

MR. GEATHERS: The closing would not occur unless they have the financing. They have to show evidence they have secured the \$1.9 million in financing. Then it would go to final approval through the agency.

COMMISSIONER SIERRA: Would we in be in the same situation as 901 Main Street?

MR. GEATHERS: If they fail to secure the financing it ends there.

MR. BARE: HUD would probably act first.

MR. GEATHERS: If a funding commitment happens and they fail to perform they would pull it.

MR. MCGOVERN: In addition to the HUD financing the city's housing division has committed \$600,000 to it. It's more than HUD. It's a city project as well.

COMMISSIONER CASARES: Any questions? Propose a motion we adopt the resolution granting initial approval of a disposition agreement with Broad-Park Development Corporation for 17-19 Squire Street in the Park-Squire-Wolcott Street Project.

COMMISSIONER BONAFONTE: Second.

COMMISSIONER CASARES: All in favor? Opposed? Abstentions?

The motion to adopt the resolution granting initial approval of a disposition agreement with Broad-Park Development Corporation for 17-19 Squire Street in the Park-Squire-Wolcott Street Project passed 4-0.

VI. Other Business

COMMISSIONER CASARES: Any other business?

Hartford Redevelopment Agency

July 9, 2009

Page 5

MR. MCGOVERN: No other business I can think of, Mr. Chairman.

COMMISSIONER CASARES: Any public comments?

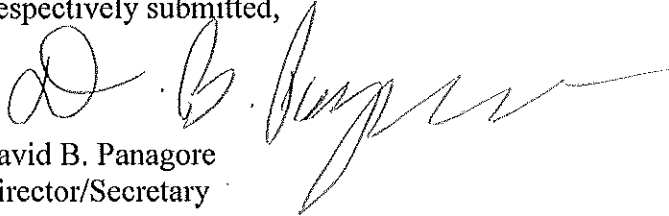
VII. Adjournment

COMMISSIONER CASARES: Motion to adjourn.

COMMISSIONER ARENA: Second.

The hearing was adjourned at 5:45 p.m.

Respectively submitted,

A handwritten signature in cursive script, appearing to read "D. B. Panagore", written in dark ink.

David B. Panagore
Director/Secretary